

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
	)	
W.R. GRACE & CO., <u>et al.</u> , <sup>1</sup>	)	Case No. 01-1139 (JKF)
	)	Jointly Administered
Debtors.	)	Re: Docket No. 6244 and 12/20/04 Agenda Item 6

**CERTIFICATION OF COUNSEL RE: DOCKET NO. 6244**

1. On August 23, 2004, the above-captioned debtors and debtors in possession (collectively, the "Debtors") filed the *Debtors' Motion for an Order Approving the Privileged and Confidential Settlement Agreement and Release with the KWELMBS Companies* (the "Motion") (Docket No. 6244) with the United States Bankruptcy Court for the District of Delaware (the "Court"), 824 Market Street, Wilmington, Delaware 19801. Objections and responses to the Motion were to be filed on or before September 10, 2004.

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<sup>1</sup> The Debtors consist of the following 62 entities: W. R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W. R. Grace & Co.-Conn., A-1 Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circe Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food 'N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., G C Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W. R. Grace Capital Corporation, W. R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc., Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc., E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, H-G Coal Company.

2. Three objections to the Motion were filed (collectively, the “Objections”).

The objecting parties were the Official Committee of Asbestos Personal Injury Claimants, the Official Committee of Asbestos Property Damage Claimants, and the Future Claimants’ Representative. None of the Objections opposed the merits of the settlement contemplated by the Motion. Rather, the objecting parties raised concerns with the Debtors’ discretion over the use of funds received pursuant to the contemplated settlement (the “KWELMBS Settlement Proceeds”).

3. After notice and a hearing, the Court entered an order on September 27,

2004 (the “Settlement Order”) (Docket No. 6477), approving the settlement contemplated by the Motion, but reserving the issue regarding the Debtors’ use of the KWELMBS Settlement Proceeds.

4. Since the entry of the Settlement Order, each of the Objections has been

withdrawn. Accordingly, no dispute exists regarding the Debtors’ use of the KWELMBS Settlement Proceeds.

5. To address the withdrawal of the Objections and the fact that the Debtors’

discretion over the use of the KWELMBS Settlement Proceeds is no longer in dispute, the Debtors have prepared the attached proposed order.

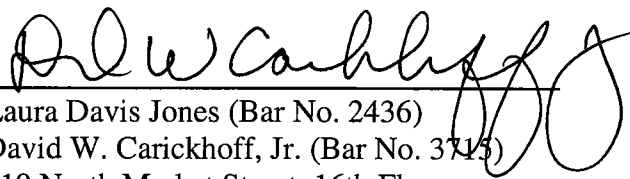
6. Accordingly, the Debtors respectfully request that the Court enter the proposed order attached hereto as Exhibit A at its earliest convenience.

Dated: February 2, 2005

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